REMARKS

Reconsideration of all grounds of objection and rejection, and allowance of all pending claims are respectfully requested in light of the above amendment and the following remarks. Claims 1-8, as shown above, remain pending herein.

At the outset, Applicants note with appreciation the indication in the Office Action that claims 3-5, 7 and 8 recite allowable subject matter.

Summary of the Objections and Rejections:

- (1) Claim 7 is objected to because there is a recitation of a single transponder.
- (2) Claims 1 and 2 stand rejected under 35 U.S.C.§102(e) over Bodell (U.S. 6,324,391).
- (3) Claim 6 stands rejected under 35 U.S.C.§103 (a) over Bodell.
- (4) Claims 3-5, 7 and 8 are objected to for depending on a rejected base claim.

Applicants Traversal:

- (1) Applicants have amended claim 7 to recite ensure that the there is a consistency regarding the recitation of a plurality of optical transponders.
- (2) With regard to the rejection of claims 1 and 2, although Applicants did not amend claim 1 for patentability purposes or in lieu of art (said claim was neither reading on the art nor indefinite in any way), claim 1 has been amended to recite that a "compact" BTS is connected via the second E1/T1 link.

Figs. 1 and 2 of Bodell, and the cited pages of discussion in their specification, fails to disclose or suggest two E1/T1 links, the first from a base station controller to a BTS via a first link, and a compact base station controller BTS (please see Fig. 2, item 18 of the present invention) connected to the BSC via a second E1/T1 link and managing a channel capacity of compact BTSs (see plurality of items 14 shown by instant Fig. 2).

In contrast with the claimed invention, Bodell merely discloses a Base station controller 116 coupled to the controller 122 of a central site 14, alternatively called a mobile telephone switching office. The BSC 116 is also coupled to a modem 124, and to one or more public switched telephone networks. Thus Applicants respectfully disagree that Bodell discloses a BSC that is coupled to a BTS via first E1/T1 link and a compact BTS controller that is coupled to said BSC controller via a second E1/T1 link.. The modem 124 shown in Bodell cannot be said to be either a BTS or a compact BTS controller.

For at least the above reasons, it is respectfully submitted that claims 1 and 2 are not anticipated by Bodell, nor would they have been obvious to an artisan at the time of invention in view of Bodell.

With regard items (3) and (4) in the Summary of the rejections, claim 6 is believed to be allowable at least for its dependence from claim 1, which is believed to be allowable at least for the reasons discussed above, and because of an independent basis for patentability. Moreover, the objections of the previously-indicated allowable claims are also overcome by the allowability of instant claims 12 and 2.

Reconsideration and withdrawal of all grounds of rejection are respectfully requested.

For all the foregoing reasons, it is respectfully submitted that all of the instant claims are patentable. A Notice of Allowance is respectfully requested.

Should the Examiner deem that there are any issues which may be best resolved by telephone, please contact Applicant's undersigned representative at the number listed below. If there are any fees due and owing, please charge Applicants Deposit Account on file 502-507.

Date: 5/27/04

Respectfully submitted,

Steve Cha

Attorney for Applicant Registration No. 44,069

CHA & REITER 210 Route 4 East, #103 Paramus, New Jersey 07652 (201) 226-9245 (201) 226-9246 (Fax)

CERTIFICATE OF MAILING UNDER 37 CFR 1.8

I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to the COMMISSIONER FOR PATENTS, Mail Stop Non-Fee Amendment, P.O. Box 1450, Alexandria, Virginia 22313-1450 on May 27, 2004.

Steven Cha, Reg. No. 44,069 (Name of Registered Representative)

(Signature and Date)